

RECORDATION NO. 25897 FILED

LAW OFFICES OF  
**DOW T. HUSKEY**  
112 WEST ADAMS STREET  
DOTHAN, ALABAMA 36303

OCT 12 '05 1-29 PM

SURFACE TRANSPORTATION BOARD

TELEPHONE (334) 794-3366  
TELECOPIER (334) 794-7292

October 5, 2005



Secretary  
Surface Transportation Board  
1925 K Street, NW  
Washington, D.C. 20423-0001

Dear Secretary:

I have enclosed an original and one copy of the document described below, to be recorded pursuant to Section 11301 of Title 49 of the U. S. Code.

This document is a security agreement, a primary document, dated October 5, 2005.

The names and addresses of the parties to the document are as follows:

Borrower: Copper Basin Railway, Inc.  
P. O. Drawer I  
Hayden, AZ 85235

Payee: Rail Management Corporation  
2605 Thomas Drive  
Panama City Beach, FL 32408

A description of the equipment covered by the document follows: 8 GP-9 Locomotives; 5 GP-39 Locomotives; and 3 GP-39-2 Locomotives owned by Borrower. See list attached as Exhibit A.

A fee of \$33.00 is enclosed. Please return the original and any extra copies not needed by the Board for recordation to: Dow T. Huskey, Attorney at Law, P. O. Drawer 550, Dothan, AL 36302.

A short summary of the document to appear in the Index follows: Security Agreement between Copper Basin Railway, Inc., P. O. Drawer I, Hayden, AZ 85235 and Rail Management Corporation, 2605 Thomas Drive, Panama City Beach, FL 32408 dated October 5, 2005 securing a loan and covering 8 GP-9 Locomotives; 5 GP-39 Locomotives; and 3 GP-39-2 Locomotives owned by Borrower.

Very truly yours,

*Dow T. Huskey*

Dow T. Huskey  
Attorney for Rail Management Corporation

DTH:ct  
Enclosures

## SECURITY AGREEMENT OCT 12 '05 1-29 PM

SURFACE TRANSPORTATION BOARD

THIS SECURITY AGREEMENT dated this 5th day of October, 2005, from **Copper Basin Railway, Inc., a Delaware corporation**, with its principal place of business located at P. O. Drawer I, Hayden, Arizona 85235 (the "*Borrower*"), to **Rail Management Corporation, a Delaware corporation**, with its principal place of business located at 2605 Thomas Drive, Panama City Beach, Florida 32408 (the "*Payee*").

## RECITALS

- A. The Payee has agreed to loan the Borrower the aggregate principal amount of One Million and no/100 (\$1,000,000.00) Dollars pursuant to the terms and provisions of certain Secured Promissory Note dated as of the date of this Security Agreement and the documents, instruments, and agreements executed by the Borrower in connection therewith.
- B. To induce the Payee to make such loan, the Borrower has agreed to pledge and to grant to the Payee a security interest in and lien upon certain property owned by the Borrower which is more particularly described herein.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Borrower hereby agrees as follows:

1. **RECITALS.** The Borrower hereby acknowledges that the foregoing Recitals are true and correct, and the same are hereby incorporated into and made a part of this Agreement.

2. **GRANT OF SECURITY INTEREST.** To secure the payment and performance of the debts and obligations to the Payee described in paragraph 3 below, the Borrower, for value received, hereby pledges and grants to the Payee a security interest in the following described property (the "*Collateral*"):

- a. **Equipment.** The locomotives owned by the Borrower and more particularly described on Exhibit A attached hereto in addition to fixtures now or hereafter affixed to or attached to or placed upon or used in any way in connection with the use of said locomotives.
- b. **Accounts, etc.** All accounts, accounts receivables, contract rights, leases, instruments, documents, promissory notes, contracts for receipt of money, conditional sales contracts, and evidences of debt owing to or acquired by the Borrower whether now existing or hereafter arising, including, without limitation the proceeds of any insurance covering the collateral.

- c. **Documents and Instruments.** All documents and instruments of the Borrower, now owned or hereafter acquired, and all amendments, extensions, renewals or replacements thereof.
- d. **General Intangibles, etc.** All existing or hereafter acquired general intangibles of every nature, all permits, regulatory approvals, copyrights, patents, trademarks, service marks, trade names, good will, licenses, and all other intellectual property owned by the Borrower or used in the Borrower's business.
- e. **Books and Records.** All existing and hereafter acquired books, records and data relating to the foregoing Collateral whether in the form of a writing, photograph, microfilm, microfiche, computer data, or electronic media, together with all of the Borrower's right, title and interest in and to all computer software required to utilize, create, maintain, and process any such records or data on electronic media.
- f. **Accessions, etc.** All accessions, attachments, tools, parts supplies, replacements of or additions to any of the foregoing Collateral, whether added now or later acquired.
- g. **Proceeds.** All proceeds of the foregoing Collateral. For purposes of this Security Agreement, the term "proceeds" includes whatever is receivable or received when Collateral or proceeds is sold, collected, exchanged or otherwise disposed of, whether such disposition is voluntary or involuntary, and includes, without limitation, all rights to payment, including return premiums with respect to any insurance relating thereto or any indemnity, warranty or guaranty by reason of loss or damage to or otherwise with respect to any of the foregoing Collateral.

All exemptions in and to any of the Collateral are hereby waived.

3. **SECURED OBLIGATIONS.** The security interest granted herein is given to secure the payment and performance of any and all debts, obligations, liabilities, covenants and duties of the Borrower to the Payee arising out of, connected with or related to a loan in the amount of \$1,000,000.00 including interest thereon as evidenced by a Secured Promissory Note (the "*Note*"), and all renewals, extensions, amendments or replacements of the Note, and all interest and other lawful charges on any or all of such debts and obligations, including, without limitation, late charges, penalty interest, and costs of collection (including reasonable attorney's fees) which the Borrower has agreed to pay to the Payee or for which the Borrower is obligated to the Payee under applicable law (herein referred to collectively as the "*Secured Obligations*").

4. **REPRESENTATIONS AND WARRANTIES.** So long as any Secured Obligation remains unpaid, the Borrower hereby represents and warrants (and shall continuously represent and warrant) that:

- a. **Authority.** The Borrower has authority, and has completed all proceedings and obtained all approvals and consents necessary, to execute, deliver, and perform this Security Agreement and the transactions contemplated hereby.
- b. **Enforceability.** This Security Agreement constitutes a legal, valid, and binding obligation of the Borrower, enforceable in accordance with its terms, except as enforceability may be affected by bankruptcy, insolvency, or other similar laws affecting the enforcement of creditor's rights generally.
- c. **Priority.** This Security Agreement grants to the Payee a valid, first priority perfected security interest in and enforceable lien on the Collateral and, except for the security interest in favor of the Payee, no person has (or, in the case of after-acquired Collateral, at the time the Borrower acquires rights therein, will have) any right, title, claim, or interest (by way of security interest or other lien or charge) in, against or to the Collateral.
- d. **Ownership of Collateral.** The Borrower is the sole owner of and has good and marketable title to the Collateral (or, in the case of after-acquired Collateral, at the time the Borrower acquires rights in the Collateral, will be the sole owner thereof).
- e. **Delivery of Documents, Etc.** The Borrower has delivered to the Payee all instruments, documents, chattel paper, and other items of Collateral in which a security interest is or may be perfected by possession, the certificate of title with respect to each motor vehicle included in the Collateral, together with such additional writings, including, without limitation, assignments and powers of attorney, with respect thereto as the Payee shall request.
- f. **Enforceability Against Account Debtor.** Each Account or any other right to the payment of money constituting Collateral is genuine and enforceable in accordance with its terms against the party obligated to pay the same, which terms have not been modified or waived in any respect or to any extent.
- g. **No Litigation.** There is no action, suit or proceeding pending or, to the best knowledge of the Borrower after reasonable investigation, threatened that might adversely affect the Collateral or the Borrower's

rights to the Collateral in any material respect.

- h. **No Default or Lien.** The execution, delivery, and performance of this Security Agreement will not contravene, or constitute a default under or result in a lien upon the Collateral or any other property of Borrower pursuant to any applicable law or regulation or any contract, agreement, judgment, order, decree, or other instrument binding upon or affecting the Borrower.
- i. **Accuracy of Information.** All information heretofore, herein or hereafter supplied to the Payee by or on behalf of the Borrower with respect to the Collateral is true and correct.
- j. **Borrower Actions.** The Borrower has done no act nor omitted to do any act which might prevent the Payee from, or limit the Payee, in acting under any of the provisions herein.

5. **COVENANTS OF BORROWER.** So long as any Secured Obligation remains unpaid, the Borrower hereby agrees:

- a. **Preservation of Collateral.** To do all acts that may be necessary to maintain, preserve and protect the Collateral; to keep the Collateral in good condition and repair, and not to cause or permit any waste or unusual or unreasonable depreciation of the Collateral or permit its value to be impaired; and to immediately give the Payee written notice of any loss of, or damage to, any of the Collateral.
- b. **Possession of Collateral.** Not to surrender or lose possession of (other than to the Payee), sell, transfer, assign, deliver, encumber, lease, rent, or otherwise dispose of any Collateral or any right or interest therein (except as hereinafter provided), and to keep the Collateral free from all liens, levies, charges and security interests (except the security interest created by this Security Agreement) or other encumbrances except those approved in writing by the Payee; provided that, unless an Event of Default has occurred, the Borrower or may, in the ordinary course of business, sell or dispose of any equipment that is functionally obsolete.
- c. **Location of Collateral.** Keep the equipment at the addresses specified herein and not remove such Collateral from its existing location without the prior written consent of the Payee. The Borrower shall, whenever requested, advise the Payee of the exact location of the Collateral.

- d. **Use of Collateral.** Not to use or permit any Collateral to be used unlawfully or in violation of any provision of this Security Agreement, or any other agreement with the Payee related hereto, or any applicable law, statute, rule, regulation or ordinance or any policy of insurance covering the Collateral.
- e. **Compliance with Laws.** To comply with all laws, statutes, rules, regulations or ordinances relating to the possession, operation, maintenance, and control of the Collateral.
- f. **Payment of Taxes, etc.** To promptly pay when due all taxes, assessments, liens, encumbrances and other charges now or hereafter levied, imposed upon, assessed against or affecting any Collateral.
- g. **Defense of Litigation.** To appear in and defend any action or proceeding that may affect its title to or the Payee's interest in the Collateral.
- h. **Inspections by Payee.** At any reasonable time, upon demand by the Payee, exhibit to and allow inspection of the Collateral by the Payee and its agents or other persons designated by the Payee.
- i. **Maintenance of Records.** To keep separate, accurate, and complete records of the Collateral and to provide the Payee with such records and other information relating to the Collateral as the Payee may request, and permit the Payee (and its agents or other persons designated by the Payee) to audit and make extracts or copies from any of the Borrower's books and records with regard to the Collateral.
- j. **Delivery of After-Acquired Collateral.** To account fully for and promptly deliver to the Payee, in the form received, all documents, chattel paper, instruments, and agreements constituting Collateral hereunder, and all proceeds of the Collateral received, endorsed to the Payee or in blank, as requested by the Payee, and accompanied by such powers of attorney as appropriate, and until so delivered all such documents, chattel paper, instruments, agreements, and proceeds shall be held by the Borrower in trust for the Payee, separate from all other property of the Borrower and identified as the property of the Payee.
- k. **Further Assurances.** To procure, execute, and deliver from time to time any indorsements, notifications, registrations, assignments, financing statements, certificates of title, and other writings deemed necessary or appropriate by the Payee to perfect, maintain, and protect its security interest in the Collateral hereunder and the priority thereof; and to take such other actions as the Payee may request to

protect the value of the Collateral and of the Payee's security interest in the Collateral, including, without limitation, provision of assurances from third parties regarding the Payee's access to, right to foreclose on or sell, Collateral and right to realize the practical benefits of such foreclosure or sale.

- l. **Notice of Changes.** To give the Payee thirty (30) days prior written notice of any (i) change in the Borrower's legal name, (ii) change in the Borrower's management, (iii) change in the ownership of the Borrower, (iv) change in location of the Borrower's chief executive office as specified herein, (v) change or conversion of the Borrower to a new or different type of business entity, (vi) change in the Borrower's legal structure, or (vii) change in any other aspect of the Borrower or relating to the Borrower that directly or indirectly affects any agreement between the Payee and the Borrower.
- m. **Standard of Care by Payee.** Such care as the Payee gives to the safekeeping of its own property of like kind shall constitute reasonable care of the Collateral when in the Payee's possession.
- n. **Payment of Payee's Costs and Expenses.** To reimburse the Payee upon demand for any costs and expenses, including, without limitation, attorney fees and disbursements, the Payee may incur while exercising any right, power, or remedy provided by this Security Agreement or by law, all of which costs and expenses are included in the Secured Obligations.

6. **INSURANCE.** The Borrower hereby agrees to insure the Collateral, with the Payee named as loss payee, in form and amounts, with companies, and against risks and liabilities satisfactory to the Payee. The Borrower hereby assigns such policies to the Payee, agrees to deliver them to the Payee at its request, and agrees that the Payee may make any claim thereunder, cancel the insurance on default by the Borrower, collect and receive payment and indorse any instrument in payment of loss or return premium or other refund or return, and apply such amounts received, at the Payee's election, to replacement of the Collateral or to the Secured Obligations. In the event that the Borrower fails to procure insurance as required herein, the Payee may, without notice to the Borrower or otherwise, at its option, but without any obligation or liability to do so, procure such insurance and add the premium cost thereof to the balance of the Secured Obligations.

7. **DEFAULT.** The Borrower shall be in default under this Security Agreement upon the occurrence of any of the following events (an "*Event of Default*"):

- a. **Default Under Loan Documents, etc.** Occurrence of an event of default or default as provided in the Note or any other promissory

note, instrument, obligation, or agreement of the Borrower with the Payee.

- b. **Defective Collateralization.** This Security Agreement or the Note ceases to be in full force and effect (including failure of any Collateral document to create a valid and perfected security interest or lien) at any time or for any reason.
- c. **Loss of Collateral.** The occurrence of loss, theft, damage, or destruction of the Collateral not covered by adequate insurance containing a loss payable clause for the protection of the Payee.

8. **RIGHTS AND REMEDIES.** Upon the occurrence of an Event of Default, the Payee shall have the rights and remedies available under the Loan Documents and those available at law, in equity, or otherwise, and, in addition thereto, the Payee may, at its option, and without notice to or demand on the Borrower, do any one or more of the following:

- a. **General Enforcement.** Foreclose or otherwise enforce the Payee's security interest in the Collateral in any manner permitted by law, or provided for in this Security Agreement.
- b. **Assembly of Collateral.** Require the Borrower to assemble the Collateral and all records and books of account relating to the Collateral and make the same available to the Payee at a place or places designated by the Payee.
- c. **Take Possession of Collateral.** Enter onto property where any Collateral is located and take possession thereof with or without judicial process.
- d. **Preparation of Collateral for Sale.** Prior to the disposition of the Collateral, store, process, repair or recondition it or otherwise prepare it for disposition in any manner and to the extent the Payee deems appropriate and, in connection with such preparation and disposition, without charge, use any trademark, tradename, copyright, patent, technical process or other rights used by the Borrower.
- e. **Sale, etc.** Sell, lease, or otherwise dispose of any Collateral at one or more public or private sales, at the Payee's place of business or any other place or places, whether or not such Collateral is present at the place of sale, for cash or credit or future delivery, on such terms and in such manner as the Payee may determine. Unless the Collateral threatens to decline speedily in value or is of a type customarily sold in a recognized market, the Payee will give the Borrower, and other



persons as required by law, reasonable notice of the time and place of any public sale, or the time after which any private sale or other intended disposition of Collateral is to be made. The Borrower agrees that the requirements of reasonable notice shall be met if notice is given at least ten (10) days before the time of the sale or disposition.

- f. **Collect Revenues.** Collect the payments, income, revenues, proceeds and other sums now or hereafter payable on or on account of the Collateral. The Payee may at any time in its discretion transfer any Collateral to its own name or that of its nominee and receive the payments, rents, income, revenues, proceeds and other sums therefrom and hold the same as security for the Obligations or apply it to the Secured Obligations in such order of preference as the Payee may determine. The Payee may demand, collect, receive and receipt for, settle, compromise, adjust, sue for or realize on the Collateral as the Payee may determine, whether or not the Secured Obligations or Collateral is then due. For these purposes, the Payee may, on behalf of and in the name of the Borrower, receive, open and dispose of mail addressed to the Borrower; change any address to which mail and payments are to be sent; and endorse notes, checks, drafts, money orders, documents of title, instruments and items pertaining to payment of any Collateral. To facilitate collection, the Payee may notify any account debtor on any Collateral to make payments directly to the Payee.
- g. **Delivery to and Rights of Purchaser.** Upon any sale or other disposition pursuant to this Security Agreement, the Payee shall have the right to deliver, assign, and transfer to the purchaser thereof the Collateral or the portion thereof so sold or disposed of. Each purchaser at any such sale or other disposition (including the Payee) shall hold the Collateral free from any claim or right of whatever kind, including any equity or right of redemption of the Borrower and the Borrower specifically waives (to the extent permitted by law) all rights of redemption, stay or appraisal which it has or may have under any rule of law or statute now existing or hereafter adopted.
- h. **Costs of Remedies.** Recover from the Borrower all costs and expenses, including, without limitation, reasonable attorneys' fees, incurred or paid by the Payee in exercising any right, power or remedy provided by this Security Agreement, by law or otherwise.
- 9. **MISCELLANEOUS PROVISIONS.**
  - a. **Power of Attorney.** The Borrower hereby appoints the Payee as its irrevocable power-of-attorney for the purpose of executing any

documents necessary to perfect, amend or continue the security interest granted in this Security Agreement, to take any action which the Borrower is obligated by this Security Agreement to do, and to exercise any rights and powers as the Borrower might exercise with respect to the Collateral.

- b. **Cumulative Rights.** The rights, powers and remedies of the Payee under this Security Agreement shall be in addition to all rights, powers and remedies given to the Payee by virtue of any statute or rule of law, the Loan Documents, or any other agreement, all of which rights, powers and remedies shall be cumulative and not alternative and may be exercised successively or concurrently without impairing the Payee's security interest in the Collateral.
- c. **Nonwaiver.** No waiver of any provision of this Security Agreement shall be effective unless in writing and signed by the Payee. No delay, forbearance, failure or omission by the Payee in exercising any right, power or remedy shall operate as a waiver of such right, power or remedy. A waiver by the Payee of any provision of this Security Agreement or in exercising any right, power, or remedy shall not constitute a waiver of the Payee's right otherwise to demand strict compliance with that provision or any other provision of this Security Agreement or preclude the further exercise of such right, power, or remedy. No prior waiver by the Payee, nor any course of dealing between the Payee and the Borrower, shall constitute a waiver of any of the Payee's rights, powers or remedies or of the Borrower's obligations as to any future transactions. The Borrower agrees that the Payee may, without thereby releasing the Borrower, substitute, release, alter, or make any other disposition of any Collateral and further agrees that the Payee is not required to first resort for payment to any Collateral.
- d. **Borrower's Chief Executive Office; Records.** The Borrower represents that the location of its chief executive office is Highway 177, Hayden Junction, Hayden, Arizona 85235, and that the Borrower does not use any fictitious name, trade name or style. The Borrower further represents that, except as otherwise disclosed to the Payee in writing prior to the date hereof, the Borrower's records concerning the Collateral are kept at the Borrower's chief executive office.
- e. **Notices.** Any notice required or permitted under this Security Agreement shall be given in writing, and shall be deemed effectively given or served for all purposes: (a) if delivered personally; or (b) if sent by United States certified or registered mail with return receipt

requested; or (c) if sent by Federal Express or other express delivery service; in each such case (except for personal delivery), with postage or charges prepaid or billed to sender, and addressed as follows:

If to the Borrower: P. O. Drawer I, Hayden, AZ 85235

If to the Payee: 2605 Thomas Drive, Panama City Beach, FL 32408

Such addresses may be changed by written notice given as provided herein.

- f. **Governing Law.** This Security Agreement shall be governed by, construed and enforced in accordance with the laws of the State Arizona without giving effect to choice of law rules. All terms not otherwise defined shall have the meaning assigned to them by the Uniform Commercial Code enacted in the State of Arizona. This Security Agreement has been accepted by the Payee in the State of Arizona.
- g. **Severability.** If a court of competent jurisdiction finds any provision of this Security Agreement to be illegal, invalid, or unenforceable as to any circumstance under present or future laws, that finding shall not make such provision illegal, invalid or unenforceable as to any other circumstance. If feasible, the offending provision shall be interpreted or considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so interpreted or modified, it shall be fully severable from this Security Agreement and this Security Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part of this Security Agreement. Unless otherwise required by law, illegality, invalidity or unenforceability of any provision of this Security Agreement and/or its severance from this Agreement shall not affect the legality, validity or enforceability of the other provisions of this Security Agreement.
- h. **Entire Agreement.** This Security Agreement constitutes the entire understanding and agreement of the Payee and the Borrower with regard to the matters set forth in this Security Agreement, and shall not be varied, altered, amended or modified except by written instrument executed by an authorized officer of the Payee.
- i. **Headings.** Paragraph headings in this Security Agreement are included for the convenience of reference only and shall not constitute a part hereof and shall not limit or otherwise affect the terms hereof.
- j. **Successors and Assigns.** The rights and privileges of the Payee under this Security Agreement shall inure to the benefit of its successors and

assigns. All covenants, representations, warranties, and agreements of the Borrower contained in this Security Agreement shall bind the Borrower's successors and permitted assigns.

- k. **Time is of the Essence.** Time is of the essence in the performance of this Security Agreement.

**IN WITNESS WHEREOF**, the Borrower has caused this Security Agreement to be duly executed and its seal affixed on the day and date first above written.

**BORROWER**

**Copper Basin Railway, Inc.**

By:

*Lowell Jacobson*  
Lowell Jacobson  
President and Chief Operating Officer

**PAYEE**

**Rail Management Corporation**

By:

*Dow T. Huskey*  
Dow T. Huskey  
Assistant Secretary

**ACKNOWLEDGMENT**

STATE OF ARIZONA  
COUNTY OF Pinal

Before me, the undersigned Notary Public, in and for said County and State, personally appeared Lowell Jacobson, whose name as President and Chief Operating Officer of Copper Basin Railway, Inc., is signed to the foregoing Security Agreement, who is known to me, acknowledged that being informed of the contents of said Security Agreement, he, in his capacity and with full authority, executed the same for and as the act of said corporation.

Given under my hand and official seal this 4th day of October, 2005.



*Paul A. Goodridge*  
Notary Public  
My Commission Expires: August 11, 2007

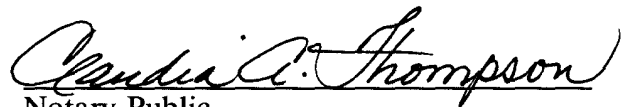
## ACKNOWLEDGMENT

STATE OF ALABAMA  
COUNTY OF HOUSTON

Before me, the undersigned Notary Public, in and for said County and State, personally appeared Dow T. Huskey, whose name as Assistant Secretary of Rail Management Corporation, is signed to the foregoing Security Agreement, who is known to me, acknowledged that being informed of the contents of said Security Agreement, he, in his capacity and with full authority, executed the same for and as the act of said corporation.

Given under my hand and official seal this 5th day of October, 2005.

[Notary Seal]



Notary Public

My Commission Expires: 10-1-07

# EXHIBIT A


## Description of Locomotives

### ENGINE SPECIFICATIONS

CBRY ENG NO	OLD ENG NO	WT. ON DRIVERS	BUILT	MODEL	ENGINE	CYL	HORSE PWR.	HEIGHT	WIDTH	LENGTH
201	RI 4421	255,000	1976	GP-9	567-C	16	1750	15' 6"	10' 8"	57'
202	RI 4422	255,000	1976	GP-9	567-C	16	1750	15' 6"	10' 6"	57'
203	RI 4423	255,000	1976	GP-9	567-C	16	1750	15' 6"	10' 6"	57'
204	BN 1704	255,000	1955	GP-9	567-C	16	1750	15' 6"	10' 6"	57'
205	BN 1822	255,000	1956	GP-9	567-C	16	1750	15' 6"	10' 6"	57'
206	BN 1867	255,000	1956	GP-9	567-C	16	1750	15' 6"	10' 6"	57'
207	BN 1893	255,000	1956	GP-9	567-C	16	1750	15' 6"	10' 6"	57'
208	BN 1959	255,000	1957	GP-9	567-C	16	1750	15' 6"	10' 6"	57'
401	KCC 001	260,000	1970	GP-39	645-E-3	12	2300	15' 9 1/2"	10' 3"	59' 10"
402	KCC 002	260,000	1970	GP-39	645-E-3	12	2300	15' 9 1/2"	10' 3"	59' 10"
403	KCC 003	260,000	1980	GP-39-2	645-E-3B	12	2300	15' 9 1/2"	10' 3"	59' 10"
501	KCC 791	260,000	1993	GP-39-2	645-E-3	12	2000	15' 9 1/2"	10' 3"	59' 10"
502	KCC 796	260,000	1993	GP-39-2	645-E-3	12	2000	15' 9 1/2"	10' 3"	59' 10"
503	CSX 4292	260,000	1969	GP-39	645-E-3	12	2300	15' 9 1/2"	10' 3"	59' 10"
504	CSX 303	260,000	1966	GP-39	645-E-3	12	2300	15' 9 1/2"	10' 3"	59' 10"
505	CSX 4296	260,000	1969	GP-39	645-E-3	12	2300	15' 9 1/2"	10' 3"	59' 10"

## CERTIFICATION

I am the filer of the attached Security Agreement between Copper Basin Railway, Inc. as Borrower and Rail Management Corporation as Payee dated October 5, 2005. I have compared the attached copy with the original document and have found the copy to be complete and identical in all respects to the original document. I declare under penalty of perjury that the foregoing is true and correct.

  
Dow T. Huskey  
Attorney at Law  
P. O. Drawer 550  
Dothan, AL 36302  
Attorney for Rail Management Corporation